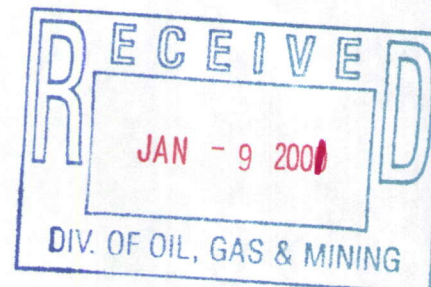


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) Jan 00 To (mo./yr.) Dec 00
 2. DOGM File Number (Mine No): 31100102 M/31/002
 3. Mine Name: Horseshoe
 4. Mineral(s) Mined (or permitted to mine): Clay
 5. Type of mine ☒ Surface Mine or ☐ Underground Mine
 6. Legal Description (Location of Lands Affected):
SE 1/4, SE 1/4, SE 1/4, Section 2, Township 27S, Range 2W
SW 1/4, SE 1/4, SE 1/4, Section 2, Township 27S, Range 2W
1/4, 1/4, 1/4, Section, Township, Range
 7. Name of Operator or Company: Paradise management Inc.
 8. Permanent Street Address: 905 N main
City, State, Zip: Fillmore Utah 84631
Phone: 435-743-5848 Fax: 435-743-5844
 9. Company Representative (or designated operator):
Name: Don W. Fullmer
Title: President
Business Address: Fillmore 905 N main
City, State, Zip: Fillmore, Utah 84631
Phone: 435-743-5848 Fax: 435-743-5848
- ☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 16,907.62 Tons ✓

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Open pit mining consisting of
ripping, stockpiling, loading &
shipping

5. How much **additional acreage** was disturbed during the past year? 3.25

6. How much acreage was **reclaimed** during the past year? 0

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

8. What is the **total** disturbed acreage of entire project at years end? 11.75

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Continue current mining operations

NOTE: Section III, "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Paradise Management Inc.

Title of Operator:

President

Signature of Operator:

Don W. Fullmer

Date:

01-09-01

jb
a:\forms\MR-AR